

**GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

UNSTARRED QUESTION NO:2140
ANSWERED ON:06.08.2001
SEPARATE LEGISLATION FOR DEVELOPMENT OF HIGHWAYS
ANNA SAHEB M.K. PATIL

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether the Government propose to enact a separate legislation to create a dedicated road fund for the development of Highways;
- (b) if so, the details thereof;
- (c) whether the response of entrepreneurs to BOT project are poor;
- (d) if so, the reasons therefor;
- (e) whether the Government propose to grant liberal fiscal concessions for highway development; and
- (f) if so, the details thereof ?

Answer

MINISTER OF STATE FOR ROAD TRANSPORT AND HIGHWAYS (INDEPENDENT CHARGE) MAJOR GENERAL (RETD KHANDURI, AVSM)

(a)to(b) For the development of Highways, the Central Road Fund Act 2000 has already been enacted. The Act provides for collection of cess of Re. 1/- per litre on petrol and diesel and crediting of proceeds of cess first to consolidated fund of India and after approval of Parliament to the Central Road Fund. The funds available from CRF will be utilized for the development and maintenance of National Highways, State roads, safety works on rail-road crossings and for rural roads.

(c)to(d) No, Sir. So far 21 road/bridge projects under the Build, Operate and Transfer (BOT) scheme involving an investment of about Rs. 1832 crore have been undertaken.

(e)to(f) Government has already taken a number of facilitating measures to promote private sector participation in the development and maintenance of national highways which include various incentives in the form of tax concession, duty free import of specified equipment, capital grant, permitting Foreign Direct Investment and external commercial borrowings.